

Good morning. My name is Marie Lenane. I am the Policy Pricing Analyst at the Executive Office of Health and Human Services (EOHHS). I am here to present staff testimony on the proposed amendments to 101 CMR 422.00: Rates for General Programs – Disability Services, which will amend rates purchased by the Department of Developmental Services (DDS), the Massachusetts Rehabilitation Commission (MRC), and by the Massachusetts Commission for the Blind (MCB).

Massachusetts General Laws, Chapter 118E, Section 13D requires the Secretary of the Executive Office of Health and Human Services to establish rates of payment by regulation for social service programs. The effective date for the proposed amendments to the regulation is January 1, 2022.

The proposed amendments to 101 CMR 422.00 for general programs – disability services include an increase by a cost adjustment factor (CAF) of 1.06% and incorporate salary benchmarks derived from the Bureau of Labor Statistics (BLS) median salary, 2020 edition. The CAF was determined by using baseline and prospective Massachusetts Economic Indicator data from IHS Economics – Spring 2021 Forecast, optimistic scenario data. The CAF reflects the period between the rates’ base period (calendar year 2021 Q4) and the prospective calendar year 2022 Q1 through calendar year 2023 Q4. Where applicable, the

FTEs for direct care have been split between direct care and direct care III positions to promote flexibility in the position. The rates for general programs - disability services have been updated to incorporate an employer and employee contribution required by the Massachusetts paid family and medical leave law. The tax and fringe rate has been benchmarked to 22.40% and the administrative allocation has been benchmarked to 12%. The mobile eye clinic rate is being removed from this regulation as this service is no longer purchased. Finally, the separate workforce initiative rate has been removed from the regulation because the workforce initiative goal of the rate review has been met with the incorporation of BLS benchmarking into the rates.

The total annualized cost to state government from the increase in rates proposed by this regulation is approximately \$298,445, which represents an increase of approximately 4.39% over FY20 rate spending of approximately \$6.8 million.

This concludes my testimony. Thank you.